



**Office of the Ag. Director General,
Directorate of Supervision, Research and Statistics,
The Bank of South Sudan.**

Circular Number 2/2015

Issued on: 14th December 2015

**REF: GUIDELINES FOR FOREX BUREAUS
DEALINGS IN FOREIGN EXCHANGE AFTER
THE REALIGNMENT.**

To: All Eligible Forex Bureaus licensed by the Bank of South Sudan.

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1. This guideline describes the status of Forex Bureaus following the adoption of the Regulation No 3/2015 dated 14th December 2015 on Floating Exchange Rate regime. Under this regime foreign exchange allocation shall be through auction system rather than direct allocations of foreign exchange.
2. All Circulars and Guidelines contrary to the provisions of this Circular are hereby repealed.
3. Licensed Forex Bureaus shall not be permitted to directly participate in the auction sessions conducted by the BSS. Forex Bureaus however may participate in the auction sessions indirectly by submitting their applications through the eligible banks. The BSS shall have no direct dealings with Forex Exchange Bureaus.
4. The BSS shall make public announcement to banks for each auction session two working days before the session is due to take place. Bureaus interested in applying through their banks should liaise with them on how to participate.
5. To avoid overbidding by Forx Bureaus, and to ensure compliance with the rules of auctions and a prompt settlement of an auction, Forex Bureaus applying through their banks should ensure they have sufficient balances and their banks is required to block the funds in the account of the Forex Bureaus to the full extent of the submitted application. The amount blocked by banks on the account of a Forex Bureau will equal the total amount of the application submitted.
6. All applications submitted by Forex Bureaus to banks must be submitted on the pre-printed forms provided. Such forms should be collected from commercial banks. Only one form shall be submitted by each forex bureau.
7. All the current restrictions on exchange rates quotation by bureaus are hereby removed. Forex Bureaus can now set their own buying and selling exchange rates freely.
8. Forex Bureaus need to be aware that they shall now operate in a more competitive environment. Customers shall be free to search for the best selling & buying rates available.
9. Forex bureaus are required to display the current exchange rates remains in prominent place visible to the public. Banking Supervision shall conduct targeted examinations to ascertain whether the displayed rates are offered to the customers. Forex Bureaus displaying misleading information shall be penalised.

10. Forex Bureaus are also required to strictly comply with the BSS guidelines on Security Deposit requirement that Forex Bureaus should maintain with BSS.

11. As there shall be no direct dealings between the BSS and Forex Bureaus, any excess balances over security deposit that is maintained by a Forex Bureau shall be transferred to their commercial bank account for its operations.

Sign: _____

Name: Marial Mabeny Bawuor,

Title: Director, Research and Statistics.

Date: 14/12/2015

Sign: _____

Name: Albino Dak Othow,

Title: Ag. D/G, Supervision & Research.

Date: 14/12/2015

Directorate of Supervision and Research

Bank of South Sudan



Attachment:

APPLICATION FORM TO COMMERCIAL BANKS BY A LICENSED FOREIGN EXCHANGE BUREAU REQUESTING A BANK TO BID ON ITS BEHALF AT AN AUCTION SESSION.

To: _____

(full name of a commercial bank eligible to participate in the BSS auction and at which forex bureau/eligible customer holds its SSP and USD accounts)

1	Full name of institution/Forex Bureau:		
2	Licence number <i>(if applicable)</i> :		
3	Tax Identification Number:		
4	Main place of business:		
5	Auction Session date:		
6	Account numbers:	SSP A/C:	
		USD A/C:	
7	Bid price: <i>(exchange rate of SSP to one USD as agreed with their banks)</i>		
8	Total Bid amount to purchase USD : <i>(delete as appropriate)</i>	<i>in numbers</i>	
		<i>In words</i>	
9	Date of submission		
<p>We, the undersigned, understand and accept the terms and conditions of the Foreign Exchange auction. We also confirm that we are in compliance with the Regulation for foreign exchange auctions and the balance of our designated current account is at least equal to the submitted bid amount. We authorise the above mentioned bank to use our designated current accounts for the settlement of the transactions.</p> <p>By submitting this bid, we hereby certify that we:</p> <ul style="list-style-type: none">• are in compliance with the terms stated in the auction announcement;• have provided accurate and complete information;• hold a current and valid licence <i>(if applicable)</i> and are in compliance with Tax Laws;• have no outstanding obligations to any commercial banks as a result of previous allocations.			
10	Signature of two authorised officials	Signature	Signature
11	Company seal		

For internal use only (to be completed by the commercial bank)

We confirm that we have verified and blocked the amount requested on the customer account.			
<i>Authorised Official - Name and Signature</i>	<i>Position held at the Bank</i>	<i>Date</i>	<i>Bank's Stamp</i>

INSTRUCTIONS ON HOW TO FILL OUT ATTACHMENT ABOVE

To be completed by the bidder (the licensed foreign exchange bureaus and eligible customers):

Full name of institution:	<i>Name of the bidder as shown on the BSS licence (forex bureaus) or in Company Register (other eligible bidders)</i>
Licence number (if applicable):	<i>Forex Bureau: Licence number issued by the BSS Other eligible customers: write Not Applicable</i>
Tax Identification Number:	<i>Enter the Tax Identification Number</i>
Main place of business/address:	<i>Bidder's main place of business</i>
Auction Session date:	<i>Enter the date of the announced Allocation Session</i>
Account numbers:	<i>Enter the SSP and USD account numbers at the commercial bank through which the bid is submitted</i>
Bid price:	<i>Confirm the exchange rate of SSP to one USD as agreed with their banks</i>
Date of submission:	<i>Date on which the bid form is submitted to the commercial bank</i>
Signature of two authorised officials:	<i>Signature of two persons authorised to sign for the bidder</i>
Company seal:	<i>Place the company's seal</i>

For internal use only:

To be completed by the authorised commercial bank's official:	<i>Bidders: Leave all boxes blank Commercial banks: enter the listed required information</i>
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